

CAPITAL IMPROVEMENT PROJECT (CIP)

- I. Contact Information:** Myron P. Naneng Sr.
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II. Project Information

- A. Project Title:** Yuut Yaqungviat, LLC - Alaska Rural Aviation Training Program Equipment

B. Project Outline/Timelines

Yuut Yaqungviat, LLC will acquire two vehicles to support the Alaska Rural Aviation Training Program. Yuut Yaqungviat needs a crew cab truck capable of having a snow plow attached and have the capacity to carry a fuel tank in the truck bed. We also need to acquire a passenger vehicle that will be able to ferry approximately 15 students back and forth from housing located in town to the flight training facility located on the Bethel Airport.

C. Justification/ Level of Need

Yuut Yaqungviat needs approximately \$200,000 to purchase a truck and passenger vehicle, freight from Anchorage to Bethel, snow plow, fuel tank with pump. Yuut Yaqungviat needs the truck with ability to attach a snow plow and have the capacity to carry a fuel tank for winter operations. During the summer months, students need aircraft for training operations. We need to have the fuel tank to be able to fuel aircraft after local fuel providers have closed and avoid call out fees charged by the fuel companies. Yuut Yaqungviat is also in need of building improvements and additional specialty items required to operate and maintain the flight school.

Yuut Yaqungviat needs a passenger vehicle to be able to ferry a minimum of fifteen students back and forth from housing facilities located in the main town in Bethel to the Bethel Airport on a daily basis.

D. Community Profile

With a population of almost 6,000 people, the City of Bethel is the main port of the Kuskokwim River in the Yukon Kuskokwim Delta. Bethel serves as the regional hub for 56 surrounding Rural villages. Our region is land-locked from urban areas in Alaska. Within Bethel, Yuut Yaqungviat operates a Alaska Rural Aviation Training Program based at the Bethel Airport. Transportation needs to service the training facility and for staff/students is greatly needed for operations to progress on a daily basis.

1. About Yuut Yaqungviat, LLC

Yuut Yaqungviat, LLC is a rural aviation and flight training center, providing commercial pilot training for the transportation industry. Located in Bethel, the flight training center prepares Yukon-Kuskokwim Delta residents for professional positions with air freight and air transport businesses operating throughout Alaska. The airline business is the highest job producing industry in Southwest Alaska and has chronic shortages of trained employees. Historically this worker shortage has been met by importing pilots from Arizona and Florida who stay for an average of two years and then return to the lower 48. Alaska suffers a double impact from this trend: the wages paid to the visiting pilots are exported out of the state. After obtaining additional training and building flight hours, experienced pilots leave the state to work for regional and national air

carriers, creating a perpetual staff shortage and training burden for Alaskan businesses. Yuut Yaqungviat is already changing that trend by training local people in Southwest Alaska to become commercial pilots. We have seen that Alaskan residents want to stay in their home communities and maintain close connections with their families. Accordingly, their wages stay in their home towns and there is increased investment in rural Alaska as people build homes and take places of responsibility in the community. Every trained pilot that Yuut Yaqungviat produces is estimated to contribute \$500,000 in economic growth in their home villages over a ten year career; with many pilots continuing to fly for 25 to 30 year careers.

2. Filling a need for the Aviation Industry in the Yukon Kuskokwim Delta

Safety, dependability, and affordability of air travel have always been a concern for Rural Alaskans because it is often the only mode of transportation, especially in parts of northern and western Alaska which have no roads. It is well understood that inexperience in dealing with weather and terrain is a major accident factor in Alaska. Looking at past success, local pilots understand the challenges getting into this profession, and are better able to let the demands of their job coexist with their Subsistence (hunting and fishing) way of life.

In the commercial and transportation hub of Bethel, there are 250 commercial pilot jobs available with various air taxi services providing passenger and freight service to the villages in the AVCP Region. Training and retaining local pilots in the region would promote the local economy with the long term jobs, and enhance jobs for ground crew, and village agents. This would not only improve the economy for the region by keeping disposable income and revenue in local hands, it would also improve the airlines' retention of pilots, mechanics and maintenance workers, as well as provide lower insurance rates, reduce new hire training costs, and improve equipment maintenance. The savings that airlines make can effect customers positively in the region. High quality employment opportunities for the young adults and youth in the region would also promote healthy lifestyles, combating drug and alcohol abuse in a population assaulted by a sense of boredom and worthlessness that pervades dispirited youth in isolated communities.

3. Additional Information

Participants in our program will receive complete pilot training to prepare them to work as first officers and commercial pilots. We are proposing to train fifteen participants for the first year, with approximately 95% of our participants being from Rural Alaska that are either unemployed or in jeopardy of losing employment. All applicants are earning well below the state average annual income of \$40,700. Within three years of completing their pilot training, we expect graduates to increase their earnings to \$50,000 per year. Industry trends for compensation tend to provide a first year (probationary) wage of \$35,700, with a step up during the second year to at least \$41,000. Third year pilots can reach \$45,000 to \$50,000 in earnings with the potential to advance even faster through achieving additional certification. The Yuut Yaqungviat training program prepares graduates for work opportunities in the transportation industry which is a rapidly expanding industry. Ted Stevens International Airport is equidistant between Tokyo and London, positioning Anchorage freight carriers at the center of growing global trade. Heavy industry projects, such as the proposed Alaska Gas Line, will require pilots with experience to transport people and material to remote locations and in potentially extreme weather conditions. Our students are prepared to meet the needs of Alaska's growing industries.

III. Financial Information

A. **Total Requested:** \$200,000.00

Crew Cab	\$ 50,000
Passenger Vehicle	\$ 50,000
Snow Plow	\$ 5,000
Fuel Tank - 110 gallon	\$ 1,500
12 volt heavy duty battery charger - NAPA	\$ 100
Small generator	\$ 1,200
Space heater for aircraft - Red Dragon	\$ 500
Specialty tools for aircraft	\$ 20,000
Wrenches - Pipe/Crescent of different sizes	\$ 200
Electrical work - transition from 3 phase to single phase	\$ 3,500
Base aircraft radio with power supply	\$ 2,000
Weather station monitors	\$ 400
Survival kits for aircraft - sleeping bag/tent	\$ 1,000
Commercial outdoor electrical timers	\$ 800
multi-meters	\$ 150
sand to cover septic tanks to prevent freezing	\$ 500
calculators	\$ 100
tables	\$ 2,700
4 laptop computers/desktop computer upgrades	\$ 4,000
commercial microwave	\$ 200
work on leaking roof and replace sheet rock in breakroom	\$ 5,000
12 volt power supply	\$ 200
4 control consoles for flight simulator computers	\$ 17,000
projector for computer power point presentations	\$ 1,500
Heating upgrade for building	\$ 10,000
Building improvements (foam insulation, window replacement, leveling, weatherization, lighting)	\$ 22,450
	\$ 200,000

B. **Matching Funds:** None

C. **Other Sources of Funding:** None

D. **In Kind Documentation:** \$5,000

E. **Has this project been requested before from the State of Alaska?** No

F. **Describe State Support Needed/For How Long:**

Yuut Yaqungviat, LLC is in need of capital funds to finance the cost of acquiring transportation equipment for the flight school in 2008. Project Administrator will seek three quotes from vehicle sales companies in Anchorage and acquire the vehicles, which will be used to support the ground transportation needs of the flight training program. Yuut Yaqungviat will need approximately one year to utilize this funding for the flight school's capital improvement needs.

IV. Support Documentation (None)